Form 3160-5
(March 2012)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs
HOBBS OCD
MAR 19 2013
RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

***SUBMIT IN TRIPLICATE** – Other instructions on page 2.*

5. Lease Serial No.
NMLC068281B

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit of CA/Agreement, Name and/or No.
N/A

1. Type of Well
☑ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
Buck Federa 17 # 3H

2. Name of Operator
ConocoPhillips Company

9. API Well No.
30-025-40900

3a. Address
P.o. Box 51810
Midland, Tx 79710

3b. Phone No. *(include area code)*
432-688-6943

10. Field and Pool or Exploratory Area
Jennings; Upper Bone Spring

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
10 FNL & 2625 FEL
UL: B of 20-26S-32E

11. County or Parish, State
Lea County, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other Revised Cmt Plan
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

ConocoPhillips Company respectfully request to amend the cement program currently approved as it pertains to the 9 5/8" intermediate 1 casing. We are currently in the process of trying to cure the losses we are seeing. We have approximately 50% returns. It is our intent to drill to approximately 4450' (casing point). We will be running a temperature log to locate the area where the losses are occurring. This will determine the depth of the DV + ECP tool. It is our current plan based off the information known at this time to set the DV tool at approximately 2500'. COP is aware that the DV tool depth will be set at a minimum of 50' below previous shoe and a minimum of 200' above current shoe. The ECP shall also be set a minimum of 50' below the shoe to provide cement across said shoe. . The proposed cement program is as follows:

Stage 1:
Lead w/700 sxs Econocem system + 5% salt + .2% HR-800 (retarder) + 2 lbm/sk Kol-Seal. Slurry yield=1.89 cuft/sk @ 12.90 lbm/gal
Tail w/200 sxs Halcem Slurry yield=1.33 cuft/sk @ 14.80 lbm/gal

Stage 2:
Lead w/760 sxs Econocem + 5% salt + .2% HR-800 (retarder) + 2 lbm/sk Kol-Seal Slurry yield=1.89 cuft/sk @ 12.9 lbm/gal
Tail w/100 sxs Halcem Slurry yield=1.33 cuft/sk @ 14.80 lbm/gal

The cement volumes to be used will be adjusted to accommodate the setting depths of the DV + ECP tool as well as if we are unable to set at the proposed casing depth and as hole conditions warrant.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

APPROVED
MAR 13 2013
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)*
Donna Williams

Title Sr. Regulatory Advisor

Signature

Date 03/13/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Petroleum Engineer
Title

Date MAR 21 2013

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

MAR 21 2013

Williams, Donna J

From: Amico Rubino, Salvatore M.
Sent: Wednesday, March 13, 2013 1:58 PM
To: Williams, Donna J
Cc: Garner, Justin B
Subject: Buck 17 Federal # 3H SUNDRY

Donna,

Our proposal plan is as follows:

1. Currently we are in in the process to cure the losses. Right now we have aprox 50% returns. The plan is to drill to aprox 4,450' (9-5/8" casing point) to start pulling out the directional BHA.

2. We will be running a temperature log to see where the losses are located. Once the information is obtained, the depth for the DV + ECP tool will be decided and must comply what BLM have requested.

3. We will pump Stage 1 (14.8 PPG slurry) and will get job information regarding volumes pumped, lift pressure, and whether or not we have full circulation during the job. We will place the Annulus Casing Packer and Stage Tool at 100' above the place we interpret as the uppermost loss of circulation zone. We will use an UltraSeal spacer ahead of the cement on Stage 1 with the bridging material in it to hopefully help seal the wellbore.

4. Whether or not we have full circulation during the Stage 1 cement job, we propose to set the Annulus Casing Packer and open the Stage Tool immediately after bumping the wiper dart on Stage 1. Hopefully the Annulus Casing Packer will be above the loss of circulation zone and hopefully it will set and seal. If so, then we should be able to establish circulation after opening the Stage Tool.

5. After opening the Stage Tool, if we have circulation we will circulate bottoms up to see if we get any cement off the top of the Stage Tool. However, if after opening the Stage Tool we find we are not able to establish circulation, then we would propose to proceed immediately with the Stage 2 cement job(12.9 PPG slurry). We will have an UltraSeal spacer for Stage 2 but without the bridging material in the spacer because we do not want to risk plugging the Stage Tool with the spacer. We will get job information regarding volumes pumped, lift pressure, and whether or not we have full circulation during the job.

6. We will get back to you in regard to the job data and observations for Stage 1 and Stage 2 and will present our interpretations in regard to the placement of cement and our proposal as to whether or not we feel that a CBL is needed or whether the job indications appear to be sufficient.

Please let me know if you need anything else.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Salvatore Amico / Drilling Engineer

600 N. Dairy Ashford Rd. | Houston, Texas 77079 | • Office: 832-486-2591 | • Cell: 432-250-0149| •E-mail: salvatore.m.amico@conocophillips.com

CONDITIONS OF APPROVAL

Sundry date 03/13/2013

OPERATOR'S NAME:	Conoco Phillips
LEASE NO.:	LC062749C
WELL NAME & NO.:	3H Buck 17 Federal Com - **30-025-40900**
SURFACE HOLE FOOTAGE:	10' FNL & 2625' EFL
BOTTOM HOLE FOOTAGE	330' FNL & 2310' FWL, Sec.17
LOCATION:	Section 20, T.26 S., R.32E., NMPM
COUNTY:	Lea County, New Mexico

Original COA still applies with the following changes

1. The minimum required fill of cement behind the **9-5/8** inch intermediate casing is:

   Operator has proposed DV tool at depth of 2500', but will adjust cement proportionately if moved. The upper most tool (DV tool and /or Annulus Casing Packer and Stage Tool) shall be set a minimum of 50' below previous shoe.

   a. First stage to DV tool:

   ☒ Cement to circulate. If cement does not circulate, Operator shall continue on with the second stage as proposed on the attachment to the submitted sundry.

   b. Second stage above DV tool:

   ☒ Cement to surface. If cement does not circulate, contact the appropriate BLM office.

If operator is not able to establish cement circulation in either stage, then the operator shall run a CBL and submit to BLM. The operator shall also submit a copy of the service company cement report.

Formation below the 9-5/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe (not the mud weight required to prevent dissolving the salt formation) and the mud weight for the bottom of the hole. Report results to BLM office.

EGF 031313